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Item 3 (a) of the provisional agenda*
Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: promoting full employment and decent work for all

Statement submitted by Global Action on Aging, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31 of 25 July 1996.

* E/CN.5/2007/1.

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Statement

1. **In consideration of the theme: Full Employment and Decent Work for All during the 45th session of the Commission for Social Development, Global Action on Aging urges the Commission on Social Development to take note of the evidence put forward by HelpAge International on social pensions.** This demonstrates how the universal (non contributory) social pension reduces old age poverty, enhances of human rights of the poorest and improves the life chances of vulnerable children in development countries.

2. **We urge that the Commission actively encourage member states to consider this evidence both to extend and establish universal social pension schemes in developing countries. We also urge member states to support global and national mechanisms to finance and implement such schemes. Such action would be a concrete demonstration of their programs to realize the commitments of the 2002 Madrid Plan of Action on Ageing.**

Some points for consideration are

3. **Social Pensions have positive social and economic effects**

With a pension, older people can afford to eat at least one meal a day, access basic services such as credit, health care and water, and invest in income-generating activities and the health and education of dependants. Regular cash in the form of the social pension enables older women and men to support the children in their care orphaned by HIV/AIDS or conflict and emergencies. Social pensions help break the cycle of chronic poverty from one generation to the next.

4. **Social Pensions help reduce extreme poverty and hunger**

Social pensions can contribute to the achievement of this target by reducing the number of people living on less than a dollar a day and directly impacting on their hunger. In South Africa, the pension reduces the number of people living below the poverty line by 5% (2.24 million). In Chile, 55% of recipients of the PASIS social pension have moved from being extremely poor to poor and 45% have moved out of poverty altogether. Social pensions can increase the share of the poorest 5% of the population in national consumption. They increase the income of this group of the population by 100% in Brazil and by 50% in South Africa. The Lesotho social pension, implemented in 2004, is helping recipients buy more nutritious food for themselves and their dependants

5. **Social Pensions contribute to the human-rights agenda**

Social security in old age and other times of vulnerability is a recognized right under the Universal Declaration of Human Rights. Social pensions support the rights of older people to social security. Social pensions also support the rights of older people to development, recognized in the Political Declaration of the Madrid Plan of Action on Ageing 2002. State delivery of entitlements such as the social pension supports good governance and enhances the citizen-state contract. As well as supporting social cohesion and household coping mechanisms, the social pension helps to reduce gender inequality in income and quality of life between older women and men.

6. Social Pensions effectively target aid at minimum cost

In Brazil, pensions reach 5.5 million poor older people at 0.9% of gross domestic product (GDP). A pensioner in the family reduces a household's probability of being poor by 18%. In South Africa, pensions reach 2 million poor older people at 1.4% of GDP. A pensioner in the family reduces a household's probability of being poor by 12.5%.

Social pensions target older women, who are among the poorest and most vulnerable people in developing countries. Social pensions deliver support to children, bringing educational and nutritional benefits.

7. Social pensions improve the life chances of orphans and vulnerable children

In the United Republic of Tanzania, which does not yet have a social pension, recent studies show that out of 146,000 children orphaned by HIV/AIDS, only 1,000 attended secondary school, because their grandparents could not afford the fees. However, in Zambia, a pilot cash-transfer scheme which reaches older people caring for orphans has improved school attendance. Similarly in rural Brazil, pensions are associated with increased school enrolment, particularly of girls aged 12-14. In South Africa, girls living in a household with an older woman who receives a pension are 3-4 cm taller than girls in households with older women who do not receive a pension.

8. Social pensions are feasible and affordable

The cost of delivering universal benefits is not beyond the means of resource-poor countries. For example, the cost of implementing large-scale social pension schemes is less than 0.8% of GDP in Namibia and 1.4% in South Africa. Universal provision of social pensions to older people is administratively simpler and less expensive than means-tested benefits. For example administration accounts for only 2-3% of universal social pensions in Botswana and Mauritius.

9. Political will exists to support this agenda in the poorest countries.

In March 2006, the African Union and the Government of Zambia, assisted by HelpAge International, organized a regional conference for East and Southern Africa on cash transfers as a social protection instrument. The resulting "Livingstone Declaration", endorsed by 13 countries, calls for African governments to put together cost national cash transfer plans within three years that are integrated within national development plans and within national budgets, and that development partners can supplement. Specific mention is made of extending and establishing the social pension as well as child and disability grants.

Source : www.helpage.org/Researchandpolicy/Socialprotection